

REMARKS/ARGUMENTS

These remarks are submitted in response to the Office Action dated February 16, 2010 (Office Action). As this response is timely filed within the 3-month shortened statutory period, no fee is believed due. However, the Examiner is expressly authorized to charge any deficiencies to Deposit Account No. 14-1437.

Claim Rejections – 35 USC § 112

Claims 1, 25, and 29 were rejected under 35 U.S.C. § 112. It was asserted that there is insufficient antecedent basis for the limitation in these claims, as they recite the limitation “said new or alternate version.”

Appropriate correction has been made.

Claim Rejections – 35 USC §§ 102 & 103

Claims 1-3, 5-9, and 25-29 were rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent 6,055,513 to Katz (hereinafter Katz). Claim 4 was rejected under 35 U.S.C. § 103(a) as being unpatentable over Katz in view of U.S. Patent 5,057,915 to Von Kohorn (hereinafter Von Kohorn).

Applicants respectfully disagree with the rejections and thus have not amended the claims to overcome the rejections. However, the language of independent Claims 1, 25, and 29 has been modified to even more clearly and concisely define the present invention.

The Claims Define Over The Prior Art

Katz discloses a method for providing offers in real time of an item constituting a good or a service in the form of offers for purchase of the item to prospective customers

as users of the system, utilizing an electronic communications device, comprising the steps of: establishing a communication via the electronic communications device between the user and the system for purpose of a user initiated primary transaction for purchase of a specific good or service; obtaining primary transaction data with respect to the primary transaction, including the identity of the prospective customer and of the good or service for purchase in the primary transaction; and generating an up-sell offer as a result of the user initiated primary transaction by: utilizing the identity of the prospective customer to obtain at least a second data element relating to the user, utilizing at least in part the primary transaction data including the identity of the good or service of the primary transaction and the second data element and determining at least one item for a prospective up-sell transaction with the prospective customer, and offering the item to the prospective customer and receiving an acceptance of the offer from at least one user in real time during the course of the user initiated communication. See Claim 1 of Katz.

Clearly, the subject matter of Katz, which concerns offering up-sell products or services in real time to a user who initiated a primary transaction based on transaction data of the user who initiated the primary transaction, is totally different from the subject matter of the present invention, which concerns providing promotional material to consumers (who are not current users of the merchant computer system) determined by a third-party remote shopping stimulation system to promote products based on detected business necessities of the merchant, such as pending or impending inventory crisis (such as when the merchant is receiving a shipment of goods but does not have room for them).

More particularly, Katz differs from the present invention in at least the following aspects.

First, Katz offers up-sell products or services based on transaction data in real time during the primary transaction. In contrast, in the present invention the products to be promoted are detected based on detected business necessities such as pending or impending inventory crisis (such as when the merchant is receiving a shipment of goods but does not have room for them) and offered to potential consumers who have

previously purchased the detected products. It is noted that in the present invention the potential consumers are not current users of the merchant computer system and do not have a primary transaction with the merchant computer system. Therefore, in the present invention the promotion is not offered in real time during the primary transaction.

Katz describes in col. 23, lines 40-50 that the system may still "offer the product if it will become available in a timely manner." However, this has nothing to do with the business necessity in the sense of the present invention. It is noted that Katz uses inventory data not to offer up-sell products in order to solve pending or impending inventory crisis, but rather to make sure that the up-sell products are available or will become available in a timely manner. In other words, in Katz the up-sell products are determined as a result of the user initiated primary transaction, not as a result of detected business necessity such as pending or impending inventory crisis (such as when the merchant is receiving a shipment of goods but does not have room for them) as in the present invention.

Second, the Examiner cited Katz col. 24, lines 30-50 as teaching "identifying one or more potential consumers who have previously purchased one or more of the detected products" as recited in Claims 1, 25, and 29 of the instant application. However, Katz col. 24, lines 30-50 describes up-sell analysis of an already identified user (i.e., the user who has initiated contact with the system). Similarly, Katz col. 11, lines 30-55, cited by the Examiner, describes determining if there is an up-sell fit for an already predetermined user (i.e., the user who has initiated contact with the system).

It is noted that in the present invention the products to be promoted are detected based on detected business necessities, not based on transaction data of a current transaction as in Katz. Therefore, in the present invention the determination of what products to promote is totally based on the merchant's needs, not based on any on-going purchase transactions. Katz cannot promote products to solve pending or impending inventory crisis because the up-sell products are totally based on on-going purchase

transactions and may not be related to the inventory crisis or other business necessity of the merchant.

In summary, there are major differences in the problem the present invention solves and the approach the preset invention takes versus Katz. The present invention solves a problem for the merchant when the merchant needs to move inventory for a variety of reasons (see Specification, page 9, lines 13-16) by identifying consumers likely to buy such inventory and reaching out to the consumers through the delivery system (see Specification, page 13, line 13 - page 14, line 18) with promotional material. Katz, on the other hand, requires and takes advantage of initial contact by a user to up-sell. Katz states in col. 13, lines 52-53, "Initially, a system user contacts the system for purpose of a primary transaction." Katz does not initiate the contact for the transaction, that is, Katz does not identify the consumers as the present invention does. The present invention identifies the targeted consumers and reaches out to them whereas Katz requires that the user initiates contact with the system.

The Examiner asserted in the second paragraph on page 8 of the Office Action that Katz teaches in col. 23, lines 40-60 that in determining the items for up-sell, the inventory database may be consulted before, during or after the up-sell determination, where an inventory status is based upon delivery time status; therefore, contrary to Applicant's argument, Katz teaches promotion of products based upon business necessities, such as shipment of goods.

However, as already discussed above, in the present invention the products to be promoted and the potential consumers to whom the products are to be offered are determined based on detected business necessities such as pending or impending inventory crisis (such as when the merchant is receiving a shipment of goods but does not have room for them). In other words, the system of the present invention does not wait for a consumer to initiate a primary transaction to start the process of providing promotional material to potential consumers. Rather, the system of the present invention actively detects products to be promoted and potential consumers to whom the products

are to be offered even if no consumer has initiated a primary transaction with the system. In contrast, in Katz the up-sell process only starts when a consumer initiated a primary transaction and the promotion or up-sell product is only offered to this particular consumer. In Katz, the inventory data is used only to make sure that the up-sell product is available or will become available in a timely manner. In Katz, the inventory data is not and cannot used for detecting products to be promoted in order to solve pending or impending inventory crisis.

The Examiner asserted in the last paragraph on page 8 of the Office Action that Katz teaches determining that a user has previously purchased a product, obsolescence of prior purchase may be determined and offering up-sells based upon the determining (see col. 24, lines 30-50); therefore, contrary to Applicant's argument, Katz system identifies the consumers with obsolete products and reaches out to them with promotions.

However, as already discussed above, Katz col. 24, lines 30-50 describes up-sell analysis of an already identified user (i.e., the user who has initiated contact with the system). In contrast, in the present invention the potential consumers are determined based on products to be promoted due to pending or impending inventory crisis even if the consumers have not initiated a primary transaction with the system. In other words, in Katz a consumer is identified first and then up-sell product(s) can be determined based on the identity of the consumer. In contrast, in the present invention the products to be promoted are detected first and then potential consumers are determined in order to promote the detected products.

Von Kohorn does not make up for the deficiencies of Katz because Van Kohorn also does not teach the concept of automatic detection of business necessity as in the present invention. In fact, part of what the Examiner cited from Von Kohorn, col. 79, lines 38-42, states "In many instances, local or regional suppliers of goods and services develop their own and highly focused marketing priorities." Note, it is stated that the local or regional suppliers "develop their own," not that the system develops it for them.

Accordingly, the cited references, alone or in combination, fail to disclose or suggest each and every element of Claims 1, 25, and 29. Applicants therefore respectfully submit that Claims 1, 25, and 29 define over the prior art. Furthermore, as each of the remaining claims depends from Claims 1 or 25 while reciting additional features, Applicants further respectfully submit that the remaining claims likewise define over the prior art.

Applicants thus respectfully request that the claim rejections under 35 U.S.C. §§ 102 & 103 be withdrawn.

CONCLUSION

Applicants believe that this application is now in full condition for allowance, which action is respectfully requested. Applicants request that the Examiner call the undersigned if clarification is needed on any matter within this Response, or if the Examiner believes a telephone interview would expedite the prosecution of the subject application to completion.

Respectfully submitted,

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